

Message Text

LIMITED OFFICIAL USE

PAGE 01 GABORO 02042 291831Z

ACTION EB-08

INFO OCT-01 AF-10 ISO-00 COME-00 USIA-06 MMO-01 /026 W

-----102133 291833Z /46

R 291431Z AUG 77

FM AMEMBASSY GABORONE

TO SECSTATE WASHDC 0550

LIMITED OFFICIAL USE GABORONE 2042

E.O. 11652: N/A

TAGS: BEXP, AFSP, XX, BC

SUBJECT: COMMERCIAL ACTION PROGRAM FOR FY 1978 - BOTSWANA

REF: (A) STATE 166272; (B) GABORONE 2000, (C) STATE A-1111

THERE FOLLOWS THE COMMERCIAL ACTION PROGRAM FOR BOTSWANA FOR
FY 1978:

SECTION 1 - COMMERCIAL SETTING

AT THE PRESENT TIME THE OUTLOOK FOR U.S. EXPORTS TO
BOTSWANA IS NOT BRIGHT. FOR ONE THING, CURRENT CRISES IN
SOUTHERN AFRICA TEND TO DISCOURAGE FOREIGN INVESTMENT AND
INDUSTRIAL GROWTH UPON WHICH DEMANDS FOR IMPORTS DEPEND.
SECOND, U.S. EXPORTS TO BOTSWANA ARE RESTRICTED BY THE
COUNTRY'S LIMITED POPULATION OF SOME 680,000 AND BY THE FACT
THAT MOST OF THESE PEOPLE LIVE IN RURAL AREAS AND HAVE MODEST
WANTS. A THIRD FACTOR WHICH TENDS TO LIMIT EXPORTS FROM THE
UNITED STATES IS BOTSWANA'S MEMBERSHIP IN THE SOUTHERN AFRICAN
CUSTOMS UNION. UNDER THE TERMS OF THE CUSTOMS AGREEMENT,
BOTSWANA IS OBLIGED TO HEAVILY TARIFF GOODS ENTERING THE
COUNTRY FROM OUTSIDE OF THE CUSTOMS AREA WHILE PERMIT-
TING GOODS FROM INDUSTRIALIZED SOUTH AFRICA TO ENTER
DUTY FREE. THE FACT IS THAT BOTSWANA CAN AND DOES FIND
MOST OF THE IMPORTS IT REQUIRES FROM THE INDUSTRIALIZED
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 GABORO 02042 291831Z

REPUBLIC OF SOUTH AFRICA. ANOTHER FACTOR LIMITING U.S.
EXPORTS TO BOTSWANA IS THE FACT THAT MUCH OF THE BUREAUC-
RACY IS IN THE HANDS OF EXPATRIATES (E.G. UK) WHO, WHEN-
EVER THE QUESTION OF IMPORTS ARISES, PROBABLY DO THEIR
BEST TO ENCOURAGE THE IMPORTATION OF THEIR OWN GOODS.
HOWEVER, THIS MAY BE, UK HIGH COMMISSION OFFICIALS OFTEN
ASSERT THAT THE SIZE OF THEIR MARKET IN BOTSWANA IS

INSIGNIFICANT.

THE CURRENT SITUATION COULD BE SUBSTANTIALLY IMPROVED IN THE FUTURE IF THREE CONDITIONS TOOK PLACE. (1) A SETTLEMENT OF CRISES IN SOUTHERN AFRICA WOULD ENCOURAGE INDUSTRIAL NATIONS TO INVEST IN BOTSWANA AND IN OTHER LESS-DEVELOPED COUNTRIES IN THE AREA; (2) THE EXISTENCE OF HARD PROOF THAT EXPLOITABLE MINERAL DEPOSITS EXIST IN BOTSWANA'S VAST AND UNEXPLORED KALAHARI DESERT WOULD TEMPT FOREIGN INVESTORS TO EXPLOIT THESE NEW-FOUND RESOURCES; (3) PLANS FOR THE CONVERSION OF THE PRESENT NORTH/SOUTH RHODESIAN RAILWAY INTO AN INDEPENDENTLY OWNED AND OPERATED BOTSWANA NATIONAL RAILWAY ARE GATHERING STEAM AND WILL PROBABLY PROVIDE THE UNITED STATES WITH AMPLE OPPORTUNITIES TO EXPORT RAILWAY EQUIPMENT (REF B).

SECTION 2 - PERSONNEL RESOURCES

THE EMBASSY EMPLOYEE TASKED WITH THE RESPONSIBILITY OF CARRYING OUT COMMERCIAL ACTIVITIES IS THE POLITICAL/ECONOMIC OFFICER. UNTIL AUGUST 1977, HE WAS ASSISTED FROM TIME TO TIME BY A LOCAL EMPLOYEE WHO ALSO CARRIED A FULL-TIME CONSULAR LOAD. THIS FSL HAS SUDDENLY RESIGNED AND HIS POSITION HAS BEEN FILLED BY A BRAND NEW EMPLOYEE, INEXPERIENCED IN CONSULAR WORK AND, UNDERSTANDABLY, IN NEED OF DEVOTING HER FULL TIME TO THAT RESPONSIBILITY. FORTUNATELY, THE EMBASSY HAS BEEN LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 GABORO 02042 291831Z

ASSISTED BY THE COMMERCIAL SECTION IN THE U.S. CONSULATE GENERAL IN JOHANNESBURG. THE EMBASSY'S COMMERCIAL ACTIVITIES HAVE RECEIVED SUPPORT THROUGH THE "AMERICAN COMMERCIAL NEWS LETTER FOR SOUTHERN AFRICA" PUBLISHED THERE AND BENEFITED FROM THE COMMERCIAL ATTACHE'S ASSISTANCE IN PROCURING EXHIBITORS FOR THE ANNUAL GABORONE TRADE FAIR.

SECTION 3 - REVIEW OF FY 1977 COMMERCIAL ACTIVITIES

THE EMBASSY'S POLITICAL/ECONOMIC OFFICER SPEND A GOOD PART OF HIS TIME IN FY 1977 PURSUING THE FOLLOWING ACTIVITIES:

- A. ORGANIZING THE 1977 GABORONE TRADE FAIR. THIS YEAR NEARLY 10 EXHIBITORS CAME TO GABORONE TO DISPLAY THEIR PRODUCTS. (SEE HOOVER MEMO OF AUGUST 11, 1977);
- B. ANSWERING LETTERS FROM U.S. BUSINESSMEN USUALLY ASKING FOR ADDRESSES AND ADVICE ON HOW TO BRING THEIR PRODUCTS TO BOTSWANA;
- C. MEETING BUSINESSMEN AND BANKERS (AVERAGE 1 TO 2 PER WEEK) WHO COME TO INVESTIGATE PROSPECTS IN BOTSWANA; AND
- D. DEVELOPING CONTACTS WITH THE CENTRAL TENDER BOARD

AND REVIEWING ANNOUNCEMENTS OF GOVERNMENT TENDERS.

E. MISCELLANEOUS COMMERCIAL ACTIVITIES, SUCH AS EXECUTING WTDR'S (ONE RECEIVED SO FAR IN 1977) AND REPORTS OF TRADE OPPORTUNITIES. WITH REGARD TO GOVERNMENT TENDERS, MOST OF THEM ARE DIRECTED TOWARD SOUTH AFRICAN SUPPLIERS AND THE LEAD TIME FOR BIDS IS MORE OFTEN THAN NOT TOO SHORT TO GIVE AMERICAN BUSINESSES AN OPPORTUNITY TO RESPOND.

SECTION 4 - CAMPAIGNS AND OTHER SPECIAL EFFORTS
THEE EMBASSY WILL CONTINUE THE ACTIVITIES ENUMERATED IN THREE ABOVE. IN ADDITION, THE DEPARTMENT OF COMMERCE IS NOW CONSIDERING WHETHER TO SEND TO BOTSWANA A RAILROAD TRADE MISSION IN NOVEMBER/DECEMBER 1977. AS EXPLAINED IN LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 04 GABORO 02042 291831Z

SECTION 1, BOTSWANA IS ON THE VERGE OF BEGINNING A LARGE RAILROAD PROJECT WHOSE TOTAL INITIAL COST (LARGELY PROCUREMENT) IS CONSERVATIVELY ESTIMATED AT \$36 MILLION. (SEE REF B).

SECTION 5 - FINANCIAL RESOURCES SCHEDULE
OUT BEST ESTIMATE FOR FINANCIAL RESOURCES NEEDED FOR FY 1978 FOLLOWS:

A. 1978 GABORONE TRADE FAIR - \$3,500

EMBASSY BELIEVES THIS AMOUNT WILL BE REQUIRED TO MANAGE A RESPECTABLE U.S. PAVILION AT THE FAIR IN VIEW OF THE FACT THAT THE PAVILION COMPETITION IS GETTING KEENER AND, WE ARE TOLD, WILL INCLUDE CHINESE AND POSSIBLY SOVIET PARTICIPATION FOR 1978.

B. REPRESENTATION - \$600

IF THE RAILROAD TRADE MISSION IS MOUNTED IN FY 1978, REPRESENTATION REQUIREMENTS WILL BE INCREASED. THIS, TOGETHER WITH THE REPRESENTATION INVOLVED IN NORMAL COMMERCIAL CONTACTS THROUGHOUT THE FISCAL YEAR, PUTS OUR ESTIMATE OF WHAT THE EMBASSY WILL REQUIRE AT \$600 IN REPRESENTATION FUNDS.

C. UPDATING THE EMBASSY'S COMMERCIAL LIBRARY - \$400

D. TRAVEL EXPENSES - \$100

EXPENSES TO COVER TRAVEL BY POLITICAL/ECONOMIC OFFICER TO ATTEND THE ANNUAL COMMERCIAL OFFICER'S CONFERENCE IN PRETORIA.

TOTAL - \$4,600

NORLAND

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Sent Date: 29-Aug-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977GABORO02042
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770312-0069
Format: TEL
From: GABORONE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770814/aaaaakxw.tel
Line Count: 164
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 87055851-c288-dd11-92da-001cc4696bcc
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 77 STATE 166272, 77 GABORONE 2000, 77 STATE A-1111
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 09-Feb-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1453407
Secure: OPEN
Status: NATIVE
Subject: COMMERCIAL ACTION PROGRAM FOR FY 1978 - BOTSWANA
TAGS: BEXP, AFSP, XX, BC
To: STATE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/87055851-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009